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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/797,919	03/10/2004	Jeffrey Lewis Brandt	1033-LB1049	3346
34456	7590	12/01/2005	EXAMINER	
TOLER & LARSON & ABEL L.L.P. 5000 PLAZA ON THE LAKE STE 265 AUSTIN, TX 78746			FRANKLIN, JAMARA ALZAIDA	
			ART UNIT	PAPER NUMBER
			2876	

DATE MAILED: 12/01/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

AK

Office Action Summary

Application No.

10/797,919

Applicant(s)

BRANDT ET AL.

Examiner

Jamara A. Franklin

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE ____ MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☐ Claim(s) ____ is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☐ Claim(s) ____ is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. ____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|--|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date ____ | 6) <input type="checkbox"/> Other: ____ |

DETAILED ACTION

Acknowledgment is made of the response filed on 10/11/05. Claims 1-22 are currently pending.

Claim Rejections - 35 USC § 102

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

2. Claims 1, 9-11, and 19-21 are rejected under 35 U.S.C. 102(b) as being anticipated by Joao et al. (US 6,047,270) (hereinafter referred to as 'Joao').

Joao teaches a method and system comprising:

providing a notification message to a payment card holder of an attempted transaction using a payment card (col. 20, lines 16-22);

providing multiple options for the payment card holder to decline authorization of the attempted transaction (col. 20, line 48-67);

the method and system wherein the multiple options comprise a first option for the payment card holder to decline authorization (col. 21, lines 21-30), and a second option for the payment card holder to decline authorization of a fraudulent transaction (col. 20, lines 58-61);

the method and system further comprising:

receiving a selection made by the payment card holder of the second option; and

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based on the selection, providing a message to a merchant involved in the attempted transaction to decline the attempted transaction and to withhold the payment card from an individual attempting the transaction (col. 21, lines 39-41);

the method and system further comprising:

receiving a selection made by the payment card holder of the second option; and

based on the selection, locking an account associated with the payment card (col. 19, lines 37-44);

the method and system further comprising:

receiving a selection made by the payment card holder of the second option; and

based on the selection, automatically reporting the fraudulent transaction to a law enforcement authority (col. 21, lines 39-41);

the method and system further comprising:

receiving a selection made by the payment card holder of one of the multiple options to decline the attempted transaction; and

sending a reason code to a merchant involved in the attempted transaction to indicate why the attempted transaction has been declined (col. 21, lines 24-41);

the method and system further comprising:

providing an option for the payment card holder to authorize the transaction (col. 21, lines 43-54);

the method and system wherein the notification message indicates a transaction amount, a merchant name, and at least part of a number of the payment card (col. 28, lines 30-36); and

the system wherein the payment card transaction notification and authorization system is further to increase a purchase limit threshold for the payment card based on a short message service (SMS) message received from the payment card holder (col. 13, lines 23-31).

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

5. Claims 2-6, 12-16, and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Joao in view of Walker et al. (US 5,999,596) (hereinafter referred to as 'Walker').

Joao lacks the specific teaching of the first option for the payment card holder to decline authorization of an undesirable but non-fraudulent transaction.

Walker teaches a method and system comprising:

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providing multiple options for the payment card holder to decline authorization of attempted transaction (col. 10, lines 8-17 and 25-60);

the method and system further comprising:

receiving a selection made by the payment card holder of the first option; and

based on the selection, providing a message to a merchant involved in the attempted transaction to decline the attempted transaction and to return the payment card to an individual attempting the transaction (col. 10, lines 45-60).

One of ordinary skill in the art would have readily recognized that allowing a card holder the ability to decline a non-fraudulent attempted transaction would have been beneficial for giving the card holder unrestricted control over the flow of finances associated with the card at any given time. Therefore, it would have been obvious at the time the invention was made, to modify the teachings of Joao with the aforementioned teaching of Walker to regulate spending.

6. Claims 7 and 17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Joao/Walker as applied to claims 2 and 12 above, and further in view of Cohen (US 6,422,462).

Joao/Walker lack the teaching of reporting the fraudulent transaction to a credit reporting agency.

Cohen teaches a method and system comprising:

automatically reporting the fraudulent transaction to a credit reporting agency (col. 3, lines 11-18).

One of ordinary skill in the art would have readily recognized that reporting the fraudulent transaction to a credit reporting agency would have been beneficial for protecting

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one's credit history and rating. Therefore, it would have been obvious, at the time the invention was made, to modify the teachings of Joao/Walker with the aforementioned teaching of Cohen to ensure that one's credit history and rating is not damaged as a result of card theft.

7. Claims 8 and 18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Joao in view of DeFrancesco et al. (US 5,878,403) (hereinafter referred to as 'DeFrancesco').

The teachings of Joao have been discussed above.

Joao lacks the specific teaching sending a reason code to a merchant to indicate why the attempted transaction has been declined.

DeFrancesco teaches a reason code to indicate why an attempted transaction has been declined (col. 23, lines 48-50).

One of ordinary skill in the art would have readily recognized that providing the Joao invention with a reason code to indicate why the attempted transaction has been declined would have been beneficial for possibly correcting the event that resulted in the declined attempted transaction. Therefore, it would have been obvious, at the time the invention was made, to modify the teachings of Joao with the aforementioned teaching of DeFrancesco to aid the card holder in the proper transferring of funds.

Response to Arguments

In response to the argument that Joao fails to disclose providing multiple options for declining a transaction, the examiner maintains the submission that Joao does disclose the aforementioned limitation since the act of providing multiple options to decline is given to the

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card holder in the following manner: the card holder has the mental and physical ability of choose to decline authorization on the basis of any number of events, including the suspicion of card theft, realization of insufficient funds, etc. Therefore, the card holder *is* provided with multiple options to decline authorization and the 35 U.S.C. 102(b) rejection of claims 1 and 11 remains.

Applicant argues that the examiner confuses cause and effect, submitting that “suspicion of card theft” and “the realization of insufficient funds” are motivation, or causes, for a card holder to decline a transaction (i.e. theft). In response to this argument, the examiner submits that suspicion of card theft and the realization of insufficient funds alone are not the basis of the rejection. It is the card holder’s mental and physical ability to ***choose*** to decline authorization on the basis of any number of events including the suspicion of card theft, realization of insufficient funds, etc. The choices of declining authorization on the basis of any number of events thereby constitutes multiple choices.

In response to the argument that Walker does not disclose another way for the account holder to decline the transaction, the examiner submits that one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986). In this case, the examiner relied on the Walker invention only to teach the option for the payment card holder to decline authorization of an undesirable but non-fraudulent transaction.

In response to the argument that col. 20, lines 23-36 of the Joao invention fails to disclose providing, in a notification message, part or all of a number of a payment card, the examiner

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submits that support for a providing, in a notification message, part or all of a number of a payment card is found in col. 28, lines 30-36 of the Joao invention as indicated in the rejection above.

In response to the argument that Joao does not teach a short message service message to increase a purchase limit, the examiner maintains the submission that, by virtue of the definition of wireless communication, a short message is received from the card holder to increase account credit limits. This short message is provided by some sort of service, thereby constituting a short message service.

In response to the argument that automatically reporting the fraudulent transaction to a law enforcement authority is not disclosed by Joao, the examiner maintains the submission that, although Joao teaches that the device operator may confiscate the card and/or alert the authorities, the act of deciding to alert the authorities is inherently automatically performed by the device operator. Therefore, the 35 U.S.C. 103(a) rejection of claims 6 and 16 remains.

Conclusion

8. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37


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CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

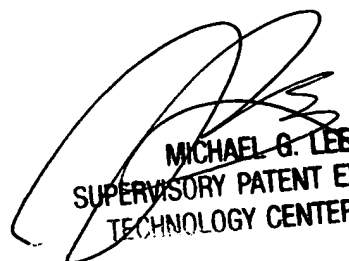
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jamara A. Franklin whose telephone number is (571) 272-2389. The examiner can normally be reached on Monday through Friday 8:00am to 4:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee can be reached on (571) 272-2398. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Jamara A. Franklin
Examiner
Art Unit 2876

JAF
November 15, 2005


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